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**Housing Authority of the City of Bunkie
Bunkie, Louisiana**

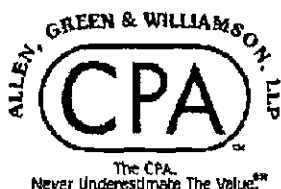
**Annual Financial Report
As of and for the Year Ended December 31, 2008**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7/15/09

**Housing Authority of the City of Bunkie
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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Housing Authority of the City of Bunkie
Bunkie, Louisiana

We have audited the accompanying basic financial statements of the Housing Authority of the City of Bunkie, Bunkie, Louisiana, as of and for the year ended December 31, 2008, as listed in the table of contents. These financial statements are the responsibility of the Housing Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Housing Authority, as of December 31, 2008, and the respective changes in its financial position and its cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated June 30, 2009, on our consideration of the Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The management's discussion and analysis, as listed in the tables of contents, is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the Housing Authority's basic financial statements. The accompanying supplemental information, as listed in the table of contents, which includes the Financial Data Schedule required by HUD, are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects in relation to the basic financial statements taken as a whole.

Also, the accompanying other information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements of the Housing Authority. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Allen, Green & Williamson, LLP
ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
June 30, 2009

Housing Authority of the City of Bunkie, Louisiana

**REQUIRED SUPPLEMENTAL INFORMATION
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)**

Housing Authority of the City of Bunkie, Louisiana
Management's Discussion and Analysis (MD&A)
December 31, 2008

The management of Public Housing Authority of Bunkie, Louisiana presents the following discussion and analysis (MD&A) of the Housing Authority's financial activities for the fiscal year ending December 31, 2008. This represents an overview of financial information. Please read this discussion and analysis in conjunction with the Authority's included audited financial statements.

FINANCIAL HIGHLIGHTS

- ☐ The primary source of funding for these activities continues to be subsidies and grants from the Department of Housing and Urban Development (HUD), whereas tenant rentals provide a secondary but also significant source of funding.
- ☐ The Housing Authority's assets exceeded its liabilities by \$1,412,132 at the close of the fiscal year ended 2008.
 - ☐ Of this amount \$1,125,247 represents a restriction equal to the net amount invested in land, building, furnishings, leasehold improvements, equipment, and construction in progress.
 - ☐ The remainder of \$286,885 of unrestricted assets could be used to meet the Housing Authority's ongoing obligations to citizens and creditors. As a measure of financial strength, this amount equals 76% of the total operating expenses of \$500,456 for the fiscal year 2008, which means the Authority might be able to operate about 9.1 months using the unrestricted assets alone, which compares favorably with 5.4 months in the prior fiscal year.
- ☐ The Housing Authority's total net assets increased by \$2,294, a .2% change from the prior fiscal year 2008. This increase is attributable to significant increases in Federal grants for both operations and capital improvements, described in more detail below.
- ☐ The increase in net assets of these funds was accompanied by an increase in unrestricted cash by \$109,545 from fiscal year 2008, primarily due to spending \$111,161 less for operations than Federal funds received for operations; spending \$5,800 more for capital assets than Federal capital grants received; and transferring \$3,709 of cash needed for operations out of investments into cash.
- ☐ The Authority spent \$5,800 on capital asset additions during the current fiscal year.
- ☐ These changes led to an increase in total assets by \$7,926 and an increase in total liabilities by \$5,632. As related measure of financial health, there are still over \$6.15 of current assets covering each dollar of total current and long-term liabilities, which compares favorably with \$4.57 covering the prior fiscal year's liabilities.
- ☐ The Housing Authority continues to operate without the need for debt borrowing.

Housing Authority of the City of Bunkie, Louisiana
Management's Discussion and Analysis (MD&A)
December 31, 2008

OVERVIEW OF THE FINANCIAL STATEMENTS

This MD&A is intended to serve as an introduction to the Housing Authority's basic financial statements. The Housing Authority is a special-purpose government engaged in business-type activities. Accordingly, only fund financial statements are presented as the basic financial statements, comprised of two components: (1) fund financial statements and (2) a series of notes to the financial statements. These provide information about the activities of the Housing Authority as a whole and present a longer-term view of the Housing Authority's finances. This report also contains other supplemental information in addition to the basic financial statements themselves demonstrating how projects funded by HUD have been completed, and whether there are inadequacies in the Authority's internal controls.

Reporting on the Housing Authority as a Whole

One of the most important questions asked about the Authority's finances is, "Is the Housing Authority as a whole better off, or worse off, as a result of the achievements of fiscal year 2008?" The Statement of Net Assets and the Statement of Revenues, Expenses, and Changes in Net Assets report information about the Housing Authority as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Fund Financial Statements

All of the funds of the Housing Authority are reported as proprietary funds. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Housing Authority, like other enterprises operated by state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The Housing Authority's financial statements report its net assets and changes in them. One can think of the Housing Authority's net assets – the difference between assets and liabilities – as one way to measure the Authority's financial health, or financial position. Over time, increases and decreases in the Authority's net assets are one indicator of whether its financial health is improving or deteriorating. One will need to consider other non-financial factors, however, such as the changes in the Authority's occupancy levels or its legal obligations to HUD, to assess the overall health of the Housing Authority.

USING THIS ANNUAL REPORT

The Housing Authority's annual report consists of financial statements that show combined information about the Housing Authority's most significant programs:

Low Rent Public Housing
Public Housing Capital Fund Program

The Housing Authority's auditors provided assurance in their independent auditors' report with which this MD&A is included, that the basic financial statements are fairly stated. The auditors provide varying degrees of assurance regarding the other information included in this report. A user of this report should read the independent auditors' report carefully to determine the level of assurance provided for each of the other parts of this report.

Housing Authority of the City of Bunkie, Louisiana
Management's Discussion and Analysis (MD&A)
December 31, 2008

Reporting the Housing Authority's Most Significant Funds

The Housing Authority's financial statements provide detailed information about the most significant funds. Some funds are required to be established by the Department of Housing and Urban Development (HUD). However, the Housing Authority establishes other funds to help it control and manage money for particular purposes, or to show that it is meeting legal responsibilities for using grants and other money.

The Housing Authority's enterprise funds use the following accounting approach for Proprietary funds: All of the Housing Authority's services are reported in enterprise funds. The focus of proprietary funds is on income measurement, which, together with the maintenance of net assets, is an important financial indicator.

FINANCIAL ANALYSIS

The Housing Authority's net assets were \$1,412,132 as of December 31, 2008. Of this amount, \$1,125,247 was invested in capital assets, and the remaining \$286,885 was unrestricted. No other specific Assets are restricted. Also, there are no other restrictions on general Net Assets.

CONDENSED FINANCIAL STATEMENTS

Condensed Balance Sheet
(Excluding Interfund Transfers)
As of December 31, 2008

	<u>2008</u>	<u>2007</u>
ASSETS		
Current assets	\$ 342,672	\$ 229,175
Capital assets, net of depreciation	<u>1,125,247</u>	<u>1,230,818</u>
Total assets	<u>1,467,919</u>	<u>1,459,993</u>
LIABILITIES		
Current liabilities	45,324	39,950
Non-current liabilities	<u>10,463</u>	<u>10,205</u>
Total liabilities	<u>55,787</u>	<u>50,155</u>
NET ASSETS		
Invested in capital assets, net of depreciation	1,125,247	1,230,818
Unrestricted net assets	<u>286,885</u>	<u>179,020</u>
Total net assets	<u>1,412,132</u>	<u>1,409,838</u>
Total liabilities and net assets	<u>\$ 1,467,919</u>	<u>\$1,459,993</u>

Housing Authority of the City of Bunkie, Louisiana
Management's Discussion and Analysis (MD&A)
December 31, 2008

CONDENSED FINANCIAL STATEMENTS (Continued)

The net assets of these funds increased by \$2,294, or by .2%, from those of fiscal year 2008, as explained below. In the narrative that follows, the detail factors causing this change are discussed:

Condensed Statement of Revenues, Expenses, and Changes in Fund Net Assets		
(Excluding Interfund Transfers)		
Fiscal Year Ended December 31, 2008		
	<u>2008</u>	<u>2007</u>
OPERATING REVENUES		
Tenant rental revenue	\$ 249,542	\$ 219,153
Federal grants for operations	247,792	221,416
Other non-tenant revenue	1,639	1,494
Total operating revenues	<u>498,973</u>	<u>442,063</u>
OPERATING EXPENSES		
Administration	151,109	188,000
Tenant services	583	668
Utilities	11,648	11,322
Maintenance, repairs and extraordinary repairs	146,333	133,436
General	79,412	62,270
Depreciation	111,371	112,485
Total operating expenses	<u>500,456</u>	<u>508,181</u>
(Losses) from operations	<u>(1,483)</u>	<u>(66,118)</u>
NON-OPERATING REVENUES		
Interest income	<u>3,777</u>	<u>4,176</u>
Total Non-Operating Revenues	<u>3,777</u>	<u>4,176</u>
NON-OPERATING EXPENSES		
Income (loss) before capital contribution	2,294	(61,942)
OTHER CHANGES IN NET ASSETS		
Federal grants for capital expenditures	<u>-</u>	<u>72,446</u>
NET INCREASES IN NET ASSETS	<u>2,294</u>	<u>10,504</u>
NET ASSETS, beginning of fiscal year	<u>1,409,838</u>	<u>1,399,334</u>
NET ASSETS, end of fiscal year	<u><u>\$1,412,132</u></u>	<u><u>\$1,409,838</u></u>

Housing Authority of the City of Bunkie, Louisiana
Management's Discussion and Analysis (MD&A)
December 31, 2008

EXPLANATIONS OF FINANCIAL ANALYSIS

Compared with the prior fiscal year, total operating and non-operating revenues decreased \$15,935, or by 3%, from a combination of larger offsetting factors. Reasons for most of this change are listed below in order of impact from greatest to least:

- ☐ Federal Capital Funds from HUD decreased by \$72,446 from that of the prior fiscal year. The Housing Authority was still in the process of completing projects funded from grants by HUD for fiscal years 2006 through 2007, and submitted a new grant during fiscal year 2009.
- ☐ Federal revenues from HUD for operations increased by \$26,376, or by 12% from that of the prior fiscal year. The determination of operating grants is based in part upon operations performance of prior years. This amount fluctuates from year-to-year because of the complexities of the funding formula HUD employs. Generally, this formula calculates an allowable expense level adjusted for inflation, occupancy, and other factors, and then uses this final result as a basis for determining the grant amount. The amount of rent subsidy received from HUD depends upon an eligibility scale of each tenant. There was an increase in the number of eligible tenants receiving subsidies, so Housing Assistance Grants increased accordingly, lowering the overall total.
- ☐ Total tenant revenue increased by \$30,389, or by 14% from that of the prior fiscal year, due to these major factors: Tenant rental revenues increased by \$29,205, or by 14%, because occupancy rates decreased by 1%, and because the amount of rent each tenant pays is based on a sliding scale of their personal income. Some tenants' personal incomes increased, so rent revenue from these tenants increased accordingly, raising the overall total. Finally, other tenant revenues (such as fees collected from tenants for late payment of rent, damages to their units, and other assessments) increased by \$1,184, or by 24%.
- ☐ Total other non-operating revenue decreased by \$399 from that of the prior fiscal year.

Compared with the prior fiscal year, total operating and non-operating expenses decreased \$7,725, or by 2%, but this also was made up of a combination of offsetting factors. Again, reasons for most of this change are listed below in order of impact from greatest to least:

- ☐ Administrative Expenses decreased by \$36,891, or by 20% from that of the prior fiscal year, due to a combination of offsetting factors: Administrative staff salaries decreased by \$25,166, or by 25%, as well as, related employee benefit contributions decreased by \$5,061, or by 12%. In addition, audit fees increased by \$2,000, or by 29%, accounting fees increased by \$5,083 legal fees increased by \$188. Finally, staff travel reimbursements increased by \$5,394, and sundry expenses decreased by \$16,421, or by 45%; therefore, other staff administrative expense decreased by 43%.
- ☐ Maintenance, repairs, and extraordinary repairs increased \$12,897 or 10%. Ordinary maintenance and repairs increased by \$3,090 from that of the prior fiscal year, due to several major factors: Repair staff wages increased by \$861, or by 1%, and related employee benefit contributions increased by \$5,639, or by 20%. Materials used decreased by \$2,103, or by 10%, and contract labor costs decreased by \$1,307, or by 8%. In addition, Extraordinary maintenance increased by \$9,807 from that of the prior fiscal year.

Housing Authority of the City of Bunkie, Louisiana
Management's Discussion and Analysis (MD&A)
December 31, 2008

- ☐ General Expenses increased by \$17,142 or by 28% from that of the prior fiscal year, primarily because insurance premiums increased by \$2,777, or by 7%, since property and casualty insurance premiums increased. Also, payments in lieu of taxes (PILOT) increased by \$2,888, or by 14%. PILOT is calculated as a percentage of rent (which increased by 14%) minus utilities (which increased 3%), and therefore changed proportionately to the changes in each of these. Uncollectible rents from vacated units increased by \$1,513, or by 57%, because these changed roughly proportional to rent, which increased by 14%. In addition, staff vacation and sick leave pay increased by \$7,056.
- ☐ Depreciation expense decreased by \$1,114, or by 1% from that of the prior fiscal year; however there was an increase in capital assets by \$5,800.
- ☐ Utilities Expense increased by \$326, or by 3% from that of the prior fiscal year.
- ☐ Tenant Services decreased by \$85, or by 13% from that of the prior fiscal year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At December 31, 2008, the Housing Authority had a total cost of \$3,559,934 invested in a broad range of assets. This amount, not including depreciation, represents increases of \$5,800 from the prior year. More detailed information about capital assets appears in the notes to the financial statements.

Capital Assets, Net of Accumulated Depreciation
As of December 31, 2008

	<u>2008</u>	<u>2007</u>
Land	\$ 64,742	\$ 64,742
Site improvements	20,231	24,050
Buildings	1,034,171	1,134,963
Furniture and equipment	6,103	7,063
Total	<u>\$1,125,247</u>	<u>\$1,230,818</u>

As of the end of the 2008 fiscal year, the Authority is still in the process of completing HUD grants of \$316,770 obtained during 2006 through 2007 fiscal years. A total remainder of \$301,970 will be received and spent for completing these projects during fiscal year 2009.

Debt

Non-current liabilities include accrued annual vacation and sick leave due to employees. The Housing Authority has not incurred any mortgages, leases, or bond indentures for financing capital assets or operations.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by Federal budget than by local economic conditions. The capital budgets for the 2009 fiscal year have already been submitted to HUD for approval and no major changes are expected.

Housing Authority of the City of Bunkie, Louisiana
Management's Discussion and Analysis (MD&A)
December 31, 2008

The Capital fund programs are multiple year budgets and have remained relatively stable. Capital Funds are used for the modernization of public housing properties including administrative fees involved in the modernization.

CONTACTING THE HOUSING AUTHORITY'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, investors, and creditors with a general overview of the Housing Authority's finances, and to show the Housing Authority's accountability for the money it receives. If you have questions about this report, or wish to request additional financial information, contact Marianne Williber, at Public Housing Authority of Bunkie, Louisiana; P.O. Box 1036; Bunkie, LA 71322.

Housing Authority of the City of Bunkie, Louisiana

BASIC FINANCIAL STATEMENTS

HOUSING AUTHORITY OF THE CITY OF BUNKIE

**ENTERPRISE FUNDS
Balance Sheet
December 31, 2008**

Statement A

ASSETS

Current Assets

Cash and cash equivalents	\$ 211,119
Investments	103,670
Accounts receivable residents	1,515
Prepaid items and other assets	12,121
Inventory	5,562
Restricted assets	
Tenant deposits	<u>8,685</u>
 Total Current Assets	 <u>342,672</u>

Capital Assets

Land, buildings, and equipment (net of accumulated depreciation)	<u>1,125,247</u>
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TOTAL ASSETS	<u>\$ 1,467,919</u>
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LIABILITIES

Current Liabilities

Accounts payable vendors	\$ 9,334
Accrued wages and payroll taxes	4,110
Intergovernmental payable	23,176
Deferred revenue	19

Current Liabilities Payable From Current Restricted Assets

Deposits due others	<u>8,685</u>
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Total Current Liabilities	45,324
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Noncurrent Liabilities

Compensated absences payable	<u>10,463</u>
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Total Liabilities	<u>55,787</u>
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NET ASSETS

Invested in capital assets, net of related debt	1,125,247
Unrestricted	<u>286,885</u>

NET ASSETS	<u>1,412,132</u>
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TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,467,919</u>
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THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

HOUSING AUTHORITY OF THE CITY OF BUNKIE

**ENTERPRISE FUNDS
Statement of Revenues, Expenses,
and Changes in Fund Net Assets
For the Year Ended December 31, 2008**

Statement B

OPERATING REVENUES

Dwelling rental	\$ 249,542
Governmental operating grants	247,792
Other	<u>1,639</u>

Total operating revenues	<u>498,973</u>
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OPERATING EXPENSES

Administration	151,109
Tenant services	583
Utilities	11,648
Ordinary maintenance & operations	146,333
General expenses	79,412
Depreciation	<u>111,371</u>

Total operating expenses	<u>500,456</u>
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Operating Income (loss) from Operations	<u>(1,483)</u>
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NONOPERATING REVENUES (EXPENSES)

Interest earnings	<u>3,777</u>
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Total nonoperating revenues (expenses)	<u>3,777</u>
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Change in net assets	2,294
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NET ASSETS AT BEGINNING OF YEAR	<u>1,409,838</u>
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NET ASSETS AT END OF YEAR	<u>\$ 1,412,132</u>
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THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

HOUSING AUTHORITY OF THE CITY OF BUNKIE

**ENTERPRISE FUNDS
Statement of Cash Flows
For the Year Ended December 31, 2008**

Statement C

	<u>TOTAL</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Rental receipts	\$ 247,706
Other receipts	1,639
Federal grants	247,792
Payments to vendors	(232,817)
Payments to employees	<u>(153,359)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>111,161</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase fixed assets	<u>(5,800)</u>
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(5,800)</u>
CASH FLOW FROM INVESTING ACTIVITIES:	
Interest and dividends	3,777
Purchase investments	<u>(68)</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>3,709</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	109,070
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>110,734</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 219,804</u></u>
RECONCILIATION TO THE BALANCE SHEET	
Cash and cash equivalents	211,119
Restricted deposits	<u>8,685</u>
TOTAL CASH AND CASH EQUIVALENTS	<u><u>\$ 219,804</u></u>

(CONTINUED)

HOUSING AUTHORITY OF THE CITY OF BUNKIE

ENTERPRISE FUNDS
Statement of Cash Flows
For the Year Ended December 31, 2008

Statement C

	<u>TOTAL</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income (loss)	\$ (1,483)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	111,371
Change in assets and liabilities:	
(Increase) decrease receivables, net	(1,254)
(Increase) decrease inventories	(2,437)
(Increase) decrease prepaid items	(668)
Increase (decrease) accounts payable	5,792
Increase (decrease) accrued wages and payroll taxes	(1,491)
Increase (decrease) compensated absences	(975)
Increase (decrease) deferred revenue	(107)
Increase (decrease) deposits due others	(475)
Increase (decrease) intergovernmental payable	<u>2,888</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 111,161</u>

(CONCLUDED)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Housing Authority of the City of Bunkie
Notes to the Basic Financial Statements
December 31, 2008

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Housing Authority of the City of Bunkie
Notes to the Basic Financial Statements
December 31, 2008

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the Housing Authority of the City of Bunkie have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. REPORTING ENTITY

Housing Authorities are chartered as public corporations under the laws (LSA-R.S. 40:391) of the state of Louisiana for the purpose of providing safe and sanitary dwelling accommodations. This creation was contingent upon the local governing body of the city declaring a need for the Housing Authority to function in such city. The Housing Authority is governed by a five-member Board of Commissioners. The members, appointed by the Honorable Mayor of the City of Bunkie, serve a staggered term of five years.

Under the United States Housing Act of 1937, as amended, the U. S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low-rent housing programs in the United States. Accordingly, HUD has entered into an annual contributions contract with the Housing Authority for the purpose of assisting the Housing Authority in financing the acquisition, construction and leasing of housing units and to make annual contributions (subsidies) to the Housing Authority for the purpose of maintaining this low-rent character.

The Housing Authority had 106 units in management at projects LA062-1/4.

<u>Program</u>	<u>Contract Number</u>	<u>Number of Units</u>
PHA Owned Housing	FW - 586	106

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the Housing Authority is legally separate and fiscally independent, the Housing Authority is a separate governmental reporting entity.

The Housing Authority is a related organization of the City of Bunkie since the City of Bunkie appoints a voting majority of the Housing Authority's governing board. The City of Bunkie is not financially accountable for the Housing Authority as it cannot impose its will on the Housing Authority and there is no potential for the Housing Authority to provide financial benefit to, or impose financial burdens on, the City of Bunkie. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the City of Bunkie.

The Housing Authority includes all funds, activities, et cetera, that are within the oversight responsibility of the Housing Authority.

Certain units of local government over which the Housing Authority exercises no oversight responsibility, such as the school board, parish police jury, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Housing Authority. In addition, the accompanying financial statements do not include various tenant associations which are legally separate entities.

Housing Authority of the City of Bunkie
Notes to the Basic Financial Statements
December 31, 2008

B. FUNDS

The accounts of the Housing Authority are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

All funds of the Housing Authority are classified as proprietary. Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Proprietary funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The Housing Authority has elected, pursuant to GASB Statement No. 20, to apply all GASB pronouncements and only FASB pronouncements issued before November 30, 1989.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary funds' principal ongoing operations. The principal operating revenues of the Housing Authority's funds are rent and maintenance charges to residents and administration fees earned. Operating expenses for proprietary funds include the administrative costs of providing the service. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. BUDGETS

General Budget Policies The following summarizes the budget activities of the Housing Authority during the year ended December 31, 2008:

The Housing Authority adopted budgets for all HUD-funded programs. The budget is controlled by fund at the function level. All appropriations lapse at year end. Budgets are prepared on the accrual basis of accounting.

The Executive Director is authorized to transfer amounts between line items within any fund, with the exception of salaries, provided such does not change the total of any function.

Encumbrances Encumbrances are not recognized within the accounting records for budgetary control purposes.

Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not

Housing Authority of the City of Bunkie
Notes to the Basic Financial Statements
December 31, 2008

exceeded. In addition, the monthly budget reports are reviewed to ensure compliance with the budget, and where necessary, revisions to the budget are made.

E. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Housing Authority may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the Housing Authority may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

F. INVESTMENTS

Investments are limited by R.S. 33:2955 and the Housing Authority's investment policy. If the original maturities of investments exceed 90 days they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at quoted market prices except for the following which are required/permitted as per GASB Statement No. 31:

Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, are reported using a cost-based measure.

The Housing Authority reported at amortized cost money market investments participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Definitions:

Interest-earning investment contract include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U. S. Treasury obligations.

G. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

H. INVENTORY AND PREPAID ITEMS

All inventory items are valued at cost using first-in, first-out method. Inventory is recorded using the consumption method. At year end the amount of inventory is recorded for external financial reporting.

Housing Authority of the City of Bunkie
Notes to the Basic Financial Statements
December 31, 2008

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Prepaid expenses consist of prepaid insurance.

I. CAPITAL ASSETS

Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value) for items of \$500 or more. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight-line depreciation is used based on the following estimated useful lives:

Site improvements	15 years
Buildings	33 years
Building improvements	15 years
Furniture and fixtures	5 to 7 years
Computers	3 years

J. COMPENSATED ABSENCES

The Housing Authority follows Louisiana Civil Service regulations for accumulated annual and sick leave. Employees may accumulate up to three hundred hours of annual leave which may be received upon termination or retirement. Sick leave hours accumulate, but the employee is not paid for them if not used by his/her retirement or termination date.

K. RESTRICTED NET ASSETS Net assets are reported as restricted when constraints placed on net assets use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

It is the Housing Authority's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

L. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Housing Authority of the City of Bunkie
Notes to the Basic Financial Statements
December 31, 2008

NOTE 2 - DEPOSITS AND INVESTMENTS

At December 31, 2008, the Housing Authority has cash, cash equivalents, and investments as follows:

Demand deposits	\$ 219,779
Petty Cash	25
Time deposits	<u>103,670</u>
Total	<u>\$ 323,474</u>
Cash and cash equivalents	\$ 211,119
Investments	103,670
Cash and cash equivalents – restricted	<u>8,685</u>
Total	<u>\$ 323,474</u>

Custodial Credit Risk:

Custodial Credit Risk-Deposits: In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of December 31, 2008, the Housing Authority had a bank balance of \$225,903, in which the bank balance was fully insured with FDIC insurance. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Housing Authority that the fiscal agent has failed to pay deposited funds upon request. The Housing Authority's policy does not address custodial credit risk.

Interest Rate Risk: The Housing Authority's policy does not address interest rate risk.

NOTE 3 - RECEIVABLES

The receivables at December 31, 2008, are as follows:

Class of Receivables

Residents	\$ 1,515
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The account receivables are expected to be paid in full; therefore no allowance for doubtful accounts has been recorded.

Housing Authority of the City of Bunkie
Notes to the Basic Financial Statements
December 31, 2008

NOTE 4 - CAPITAL ASSETS

The changes in capital assets are as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Nondepreciable capital assets:				
Land	\$ 64,742	\$ -	\$ -	\$ 64,742
Depreciable capital assets:				
Site improvements	204,805	-	-	204,805
Buildings	3,174,633	-	-	3,174,633
Furniture and equipment	172,782	5,800	62,828	115,754
Total depreciable capital assets	<u>3,552,220</u>	<u>5,800</u>	<u>62,828</u>	<u>3,495,192</u>
Less: accumulated depreciation				
Site improvements	180,755	3,819	-	184,574
Buildings	2,039,670	100,792	-	2,140,462
Furniture and equipment	165,719	6,760	62,828	109,651
Total accumulated depreciation	<u>2,386,144</u>	<u>111,371</u>	<u>62,828</u>	<u>2,434,687</u>
Depreciable capital assets, net	<u>1,166,076</u>	<u>(105,571)</u>	<u>-</u>	<u>1,060,505</u>
Capital assets, net	<u>\$ 1,230,818</u>	<u>\$ (105,571)</u>	<u>\$ -</u>	<u>\$ 1,125,247</u>

NOTE 5 - RETIREMENT SYSTEM

The Housing Authority participates in a defined contribution retirement plan. The plan was established January 1, 1992. Through this plan, the Housing Authority provides pension benefits for all of its full-time employees. The plan is a single employer defined contribution plan and is administered by the Housing Authority of the City of Bunkie.

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The employer is required to make monthly contributions equal to 8% of each participant's effective compensation. The Housing Authority's contribution for each employee and income allocated to the employee's account is vested immediately.

The Housing Authority's total payroll for year ended December 31, 2008, was \$151,867. The Housing Authority's contributions were calculated using the base salary amount of \$128,779. The Housing Authority made the required contributions of \$10,395 for the year ended December 31, 2008, of which \$10,395 was paid by the Housing Authority and \$0 was paid by employees.

Housing Authority of the City of Bunkie
Notes to the Basic Financial Statements
December 31, 2008

NOTE 6 - COMPENSATED ABSENCES

At December 31, 2008 employees of the Housing Authority have accumulated and vested \$14,573 of employee leave benefits which was computed in accordance with GASB Codification Section C60. These amounts are recorded as liabilities in the funds from which payment will be made. Following is a summary of the compensated absence transactions for the year.

Balance at beginning of year	\$ 15,548
Additions	9,964
Deductions	<u>10,939</u>
Balance at end of year	<u>14,573</u>
Due in one year	<u>\$ 4,110</u>

NOTE 7 - COMMITMENTS AND CONTINGENCIES

Litigation At December 31, 2008 the Housing Authority was involved in various law suits. It is not possible to determine the likelihood of a loss at this time. However, in the event the Housing Authority does not prevail, the Housing Authority has insurance that would cover the loss.

Construction Projects There are certain major construction projects in progress at December 31, 2008. These include modernizing rental units. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred. A remainder of \$301,970 will be received and spent for completing these projects during fiscal year 2009.

Grant Disallowances The Housing Authority participates in two federally assisted grant programs. Although the grant programs have not been audited in accordance with Single Audit Act Amendments of 1996 and OMB Circular A-133 through December 31, 2008, these programs are subject to compliance requirements. Housing Authority management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

NOTE 8 - RISK MANAGEMENT

The Housing Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Housing Authority carries commercial insurance.

NOTE 9 - CAFETERIA PLAN

The Housing Authority adopted a cafeteria plan July 10, 2001 under Internal Revenue code 125 for all eligible employees. The plan agreement allows employees to elect various benefits. If qualified benefits are chosen, they are excludable from gross income to the extent allowed by law.

NOTE 10 - ECONOMIC DEPENDENCY

Statement of Financial Accounting Standard (SFAS) No. 14 requires disclosure in financial statements of a situation where one entity provides more than 10% of the audited entity's revenues. The Department of Housing and Urban Development provided \$247,792 to the Housing Authority, which represents approximately 49% of the Housing Authority's total revenue for the year.

Housing Authority of the City of Bunkie

SUPPLEMENTAL INFORMATION

**HOUSING AUTHORITY OF THE CITY OF BUNKIE
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2008**

Line Item No.	Description	Project Totals	Program Totals	Central Office Cost Center	Subtotal	Elimination	Total
Balance Sheet							
111	Cash-unrestricted	\$ 211,119	-	-	\$ 211,119	\$	211,119
112	Cash-restricted-modernization and development	-	-	-	-	-	-
113	Cash-other restricted	-	-	-	-	-	-
114	Cash-tenant security deposits	\$ 8,685	-	-	\$ 8,685	\$	8,685
115	Cash - Restricted for payment of current liability	-	-	-	-	-	-
100	Total Cash	\$ 219,804	-	-	\$ 219,804	-	\$ 219,804
121	Accounts receivable - PHA projects	-	-	-	-	-	-
122-010	Accounts receivable - HUD other projects - Operating Subsidy	-	-	-	-	-	-
122-020	Accounts receivable - HUD other projects - Capital fund	-	-	-	-	-	-
122-030	Accounts receivable - HUD other projects - Other	-	-	-	-	-	-
122	Accounts receivable - HUD other projects	-	-	-	-	-	-
124	Account receivable - other government	-	-	-	-	-	-
125-010	Account receivable - miscellaneous - Not For Profit	-	-	-	-	-	-
125-020	Account receivable - miscellaneous - Partnership	-	-	-	-	-	-
125-030	Account receivable - miscellaneous - Joint Venture	-	-	-	-	-	-
125-040	Account receivable - miscellaneous - Tax Credit	-	-	-	-	-	-
125-050	Account receivable - miscellaneous - Other	-	-	-	-	-	-
125-060	Other - Comment	-	-	-	-	-	-
125	Account receivable - miscellaneous	-	-	-	-	-	-
126	Accounts receivable - tenants	\$ 1,515	-	-	\$ 1,515	\$	1,515
126.1	Allowance for doubtful accounts - tenants	-	-	-	-	-	-
126.2	Allowance for doubtful accounts - other	-	-	-	-	-	-
127	Notes, Loans, & Mortgages Receivable - Current	-	-	-	-	-	-
128	Fraud recovery	-	-	-	-	-	-
128.1	Allowance for doubtful accounts - fraud	-	-	-	-	-	-
129	Accrued interest receivable	-	-	-	-	-	-
120	Total receivables, net of allowance for doubtful accounts	\$ 1,515	-	-	\$ 1,515	-	\$ 1,515
131	Investments - unrestricted	\$ 103,670	-	-	\$ 103,670	\$	103,670
132	Investments - restricted	-	-	-	-	-	-
135	Investments - Restricted for payment of current liability	-	-	-	-	-	-
142	Prepaid expenses and other assets	\$ 12,121	-	-	\$ 12,121	\$	12,121
143	Inventories	\$ 5,562	-	-	\$ 5,562	\$	5,562
143.1	Allowance for obsolete inventories	-	-	-	-	-	-
144	Inter program - due from	-	-	-	-	-	-
145	Assets held for sale	-	-	-	-	-	-
150	Total Current Assets	\$ 342,672	-	-	\$ 342,672	-	\$ 342,672
161	Land	\$ 64,742	-	-	\$ 64,742	\$	64,742
162	Buildings	\$ 3,174,633	-	-	\$ 3,174,633	\$	3,174,633
163	Furniture, equipment and machinery - dwellings	\$ 6,762	-	-	\$ 6,762	\$	6,762
164	Furniture, equipment and machinery - administration	\$ 108,992	-	-	\$ 108,992	\$	108,992
165	Leasehold improvements	\$ 204,805	-	-	\$ 204,805	\$	204,805
166	Accumulated depreciation	\$ (2,434,687)	-	-	\$ (2,434,687)	\$	(2,434,687)
167	Construction in progress	-	-	-	-	-	-
168	Infrastructure	-	-	-	-	-	-
160	Total capital assets, net of accumulated depreciation	\$ 1,125,247	-	-	\$ 1,125,247	-	\$ 1,125,247
180	Total Non-current Assets	\$ 1,125,247	-	-	\$ 1,125,247	-	\$ 1,125,247
190	Total Assets	\$ 1,467,919	-	-	\$ 1,467,919	-	\$ 1,467,919

HOUSING AUTHORITY OF THE CITY OF BUNKIE
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2008

Line Item No.	Description	Project Totals	Program Totals	Central Office Cost Center	Subtotal	Elimination	Total
311	Bank overdraft	-	-	-	-	-	-
312	Accounts payable <= 90 days	\$ 9,334	-	-	\$ 9,334	\$	9,334
313	Accounts payable > 90 days past due	-	-	-	-	-	-
321	Accrued wages/payroll taxes payable	-	-	-	-	-	-
322	Accrued compensated absences - current portion	\$ 4,110	-	-	\$ 4,110	\$	4,110
324	Accrued contingency liability	-	-	-	-	-	-
325	Accrued interest payable	-	-	-	-	-	-
<u>331-010</u>	Accounts payable - HUD PHA Programs - Operating Subsidy	-	-	-	-	-	-
<u>331-020</u>	Accounts payable - HUD PHA Programs - Capital fund	-	-	-	-	-	-
<u>331-030</u>	Accounts payable - HUD PHA Programs - Other	-	-	-	-	-	-
331	Accounts payable - HUD PHA Programs	-	-	-	-	-	-
332	Accounts payable - PHA Projects	-	-	-	-	-	-
333	Accounts payable - other government	\$ 23,176	-	-	\$ 23,176	\$	23,176
341	Tenant security deposits	\$ 8,685	-	-	\$ 8,685	\$	8,685
<u>342-010</u>	Deferred revenue - Operating Subsidy	-	-	-	-	-	-
<u>342-020</u>	Deferred revenue - Capital fund	-	-	-	-	-	-
<u>342-030</u>	Deferred revenue - Other	\$ 19	-	-	\$ 19	\$	19
342	Deferred revenue	\$ 19	-	-	\$ 19	\$	19
<u>343-010</u>	CFFP	-	-	-	-	-	-
<u>343-020</u>	Capital Projects/ Mortgage Revenue	-	-	-	-	-	-
343	Current portions of long-term debt - capital projects/mortgage revenue bonds	-	-	-	-	-	-
344	Current portion of long-term debt - operating borrowings	-	-	-	-	-	-
345	Other current liabilities	-	-	-	-	-	-
346	Accrued liabilities - other	-	-	-	-	-	-
347	Inter program - due to	-	-	-	-	-	-
348-010	Loan liability - current - Not For Profit	-	-	-	-	-	-
348-020	Loan liability - current - Partnership	-	-	-	-	-	-
348-030	Loan liability - current - Joint Venture	-	-	-	-	-	-
348-040	Loan liability - current - Tax Credit	-	-	-	-	-	-
348-050	Loan liability - current - Other	-	-	-	-	-	-
348-060	Other - Comment	-	-	-	-	-	-
348	Loan liability - current	-	-	-	-	-	-
310	Total Current Liabilities	\$ 45,324	-	-	\$ 45,324	- \$	45,324
<u>351-010</u>	Long-term debt - CFFP	-	-	-	-	-	-
<u>351-020</u>	Long-term - Capital Projects/ Mortgage Revenue	-	-	-	-	-	-
351	Capital Projects/ Mortgage Revenue Bonds	-	-	-	-	-	-
352	Long-term debt, net of current - operating borrowings	-	-	-	-	-	-
353	Non-current liabilities - other	-	-	-	-	-	-
354	Accrued compensated absences- Non-current	\$ 10,463	-	-	\$ 10,463	\$	10,463
<u>355-010</u>	Loan liability - Non-current - Not For Profit	-	-	-	-	-	-
<u>355-020</u>	Loan liability - Non-current - Partnership	-	-	-	-	-	-
<u>355-030</u>	Loan liability - Non-current - Joint Venture	-	-	-	-	-	-
<u>355-040</u>	Loan liability - Non-current - Tax Credit	-	-	-	-	-	-
<u>355-050</u>	Loan liability - Non-current - Other	-	-	-	-	-	-
355-060	Other - Comment	-	-	-	-	-	-
355	Loan liability - Non-current	-	-	-	-	-	-
356	FASB 5 Liabilities	-	-	-	-	-	-
357	Accrued Pension and OPEB Liability	-	-	-	-	-	-
350	Total Non-current liabilities	\$ 10,463	-	-	\$ 10,463	- \$	10,463
300	Total Liabilities	\$ 55,787	-	-	\$ 55,787	- \$	55,787
508.1	Invested in capital assets, net of related debt	\$ 1,125,247	-	-	\$ 1,125,247	\$	1,125,247
511.1	Restricted Net Assets	-	-	-	-	-	-
512.1	Unrestricted Net Assets	\$ 286,885	-	-	\$ 286,885	\$	286,885
513	Total Equity/Net Assets	\$ 1,412,132	-	-	\$ 1,412,132	- \$	1,412,132
600	Total Liabilities and Equity/Net assets	\$ 1,467,919	-	-	\$ 1,467,919	- \$	1,467,919

HOUSING AUTHORITY OF THE CITY OF BUNKIE
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2009

Line Item No.	Description	Project Totals	Program Totals	Central Office Cost Center	Subtotal	Elimination	Total
Income Statement							
70300	Net tenant rental revenue	\$ 243,410	\$	- \$	243,410	\$	243,410
70400	Tenant revenue - other	\$ 6,132	\$	- \$	6,132	\$	6,132
70500	Total Tenant Revenue	\$ 249,542	\$	- \$	249,542	- \$	249,542
70600	HUD PHA operating grants	\$ 247,792	\$	- \$	247,792	\$	247,792
70610	Capital grants	- \$	\$	-	-	-	-
70710	Management Fee	- \$	\$	-	-	-	-
70720	Asset Management Fee	- \$	\$	-	-	-	-
70730	Book-Keeping Fee	- \$	\$	-	-	-	-
70740	Front Line Service Fee	- \$	\$	-	-	-	-
70750	Other Fees	- \$	\$	-	-	-	-
70700	Total Fee Revenue	- \$	\$	-	-	- \$	-
70800	Other government grants	- \$	\$	-	-	-	-
71100-010	Housing Assistance Payment	- \$	\$	-	-	-	-
71100-020	Administrative Fee	- \$	\$	-	-	-	-
71100	Investment income - unrestricted	\$ 3,777	\$	- \$	3,777	\$	3,777
71200	Mortgage interest income	- \$	\$	-	-	-	-
71300	Proceeds from disposition of assets held for sale	- \$	\$	-	-	-	-
71310	Cost of sale of assets	- \$	\$	-	-	-	-
71400	Fraud recovery	- \$	\$	-	-	\$	-
71500	Other revenue	\$ 1,639	\$	- \$	1,639	\$	1,639
71600	Gain or loss on sale of capital assets	- \$	\$	-	-	-	-
72000	Investment income - restricted	- \$	\$	-	-	-	-
70000	Total Revenue	\$ 502,750	\$	- \$	502,750	- \$	502,750
91100	Administrative salaries	\$ 73,844	\$	\$	73,844	\$	73,844
91200	Auditing fees	\$ 8,800	\$	- \$	8,800	\$	8,800
91300	Management Fee	- \$	\$	-	-	-	-
91310	Book-Keeping Fee	- \$	\$	-	-	-	-
91400	Advertising and Marketing	\$ 163	\$	- \$	163	\$	163
91500	Employee benefit contributions - administrative	\$ 37,656	\$	- \$	37,656	\$	37,656
91600	Office Expenses	\$ 24,721	\$	- \$	24,721	\$	24,721
91700	Legal Expense	\$ 187	\$	- \$	187	\$	187
91800	Travel	\$ 394	\$	- \$	394	\$	394
91810	Allocated Overhead	- \$	\$	-	-	-	-
91900	Other	\$ 5,344	\$	- \$	5,344	\$	5,344
91000	Total Operating-Administrative	\$ 151,109	\$	- \$	151,109	- \$	151,109
92000	Asset Management Fee	- \$	\$	-	-	-	-
92100	Tenant services - salaries	- \$	\$	-	-	-	-
92200	Relocation Costs	- \$	\$	-	-	-	-
92300	Employee benefit contributions - tenant services	- \$	\$	-	-	-	-
92400	Tenant services - other	\$ 583	\$	- \$	583	\$	583
92500	Total Tenant Services	\$ 583	\$	- \$	583	- \$	583
93100	Water	\$ 504	\$	- \$	504	\$	504
93200	Electricity	\$ 7,248	\$	- \$	7,248	\$	7,248
93300	Gas	\$ 853	\$	- \$	853	\$	853
93400	Fuel	- \$	\$	-	-	-	-
93500	Labor	- \$	\$	-	-	-	-
93600	Sewer	- \$	\$	-	-	-	-
93700	Employee benefit contributions - utilities	- \$	\$	-	-	-	-
93800	Other utilities expense	\$ 3,043	\$	- \$	3,043	\$	3,043
93000	Total Utilities	\$ 11,648	\$	- \$	11,648	- \$	11,648

**HOUSING AUTHORITY OF THE CITY OF BUNKIE
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2008**

Line Item No.	Description	Project Totals	Program Totals	Central Office Cost Center	Subtotal	Elimination	Total
94100	Ordinary maintenance and operations - labor	\$ 67,085	\$	- \$	67,085	\$	67,085
94200	Ordinary maintenance and operations - materials and other	\$ 19,281	\$	- \$	19,281	\$	19,281
<u>94300-010</u>	Ordinary Maintenance and Operations Contracts - Garbage and Trash Removal Contracts	-	\$	-	-		-
<u>94300-020</u>	Ordinary Maintenance and Operations Contracts - Heating & Cooling Contracts	\$ 875	\$	- \$	875	\$	875
<u>94300-030</u>	Ordinary Maintenance and Operations Contracts - Snow Removal Contracts	-	\$	-	-		-
<u>94300-040</u>	Ordinary Maintenance and Operations Contracts - Elevator Maintenance Contracts	-	\$	-	-		-
<u>94300-050</u>	Ordinary Maintenance and Operations Contracts - Landscape & Grounds Contracts	-	\$	-	-		-
<u>94300-060</u>	Ordinary Maintenance and Operations Contracts - Unit Turnaround Contracts	-	\$	-	-		-
<u>94300-070</u>	Ordinary Maintenance and Operations Contracts - Electrical Contracts	-	\$	-	-		-
<u>94300-080</u>	Ordinary Maintenance and Operations Contracts - Plumbing Contracts	-	\$	-	-		-
<u>94300-090</u>	Ordinary Maintenance and Operations Contracts - Extermination Contracts	\$ 7,784	\$	- \$	7,784	\$	7,784
<u>94300-100</u>	Ordinary Maintenance and Operations Contracts - Janitorial Contracts	\$ 770	\$	- \$	770	\$	770
<u>94300-110</u>	Ordinary Maintenance and Operations Contracts - Routine Maintenance Contracts	\$ 3,942	\$	- \$	3,942	\$	3,942
<u>94300-120</u>	Ordinary Maintenance and Operations Contracts - Misc Contracts	\$ 1,841	\$	- \$	1,841	\$	1,841
94300	Ordinary Maintenance and Operations Contracts	\$ 15,212	\$	- \$	15,212	\$	15,212
94500	Employee benefit contribution - ordinary maintenance	\$ 34,210	\$	- \$	34,210	\$	34,210
94000	Total Maintenance	\$ 135,788	\$	- \$	135,788	- \$	135,788
95100	Protective services - labor	-	\$	-	-		-
95200	Protective services - other contract costs	-	\$	-	-		-
95300	Protective services - other	-	\$	-	-		-
95500	Employee benefit contributions - protective services	-	\$	-	-		-
95000	Total Protective Services	-	\$	-	-	- \$	-
96110	Property Insurance	\$ 24,456	\$	- \$	24,456	\$	24,456
96120	Liability Insurance	\$ 6,981	\$	- \$	6,981	\$	6,981
96130	Workmen's Compensation	\$ 6,268	\$	- \$	6,268	\$	6,268
96140	All other Insurance	\$ 4,388	\$	- \$	4,388	\$	4,388
96100	Total Insurance Premiums	\$ 42,093	\$	- \$	42,093	- \$	42,093
96200	Other general expenses	-	\$	-	-		-
96210	Compensated absences	\$ 9,963	\$	- \$	9,963	\$	9,963
96300	Payments in lieu of taxes	\$ 23,176	\$	- \$	23,176	\$	23,176
96400	Bad debt - tenant rents	\$ 4,180	\$	- \$	4,180	\$	4,180
96500	Bad debt - mortgages	-	\$	-	-		-
96600	Bad debt - other	-	\$	-	-		-
96800	Severance expense	-	\$	-	-		-
96000	Total Other General Expenses	\$ 37,319	\$	- \$	37,319	- \$	37,319
96710	Interest of Mortgage (or Bonds) Payable	-	\$	-	-		-
96720	Interest on Notes Payable (Short and Long Term)	-	\$	-	-		-
96730	Amortization of Bond Issue Costs	-	\$	-	-		-
96700	Total Interest Expense and Amortization Cost	-	\$	-	-	- \$	-
96900	Total Operating Expenses	\$ 378,540	\$	- \$	378,540	- \$	378,540
97000	Excess Revenue Over Operating Expenses	\$ 124,210	\$	- \$	124,210	- \$	124,210

HOUSING AUTHORITY OF THE CITY OF BUNKIE
FINANCIAL DATA SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2008

Line Item No.	Description	Project Totals	Program Totals	Central Office Cost Center	Subtotal	Elimination	Total
97100	Extraordinary maintenance	\$ 10,545	\$ -	- \$	10,545	\$ -	10,545
97200	Casualty losses- Non-capitalized	-	\$ -	-	-	-	-
97300-010	Mainstream 1 & 5 year	-	\$ -	-	-	-	-
97300-020	Home-Ownership	-	\$ -	-	-	-	-
97300-025	Litigation	-	\$ -	-	-	-	-
97300-030	Hope IV	-	\$ -	-	-	-	-
97300-035	Moving to Work	-	\$ -	-	-	-	-
97300-040	Tenant Protection	-	\$ -	-	-	-	-
97300-050	All Other	-	\$ -	-	-	-	-
97300	Housing assistance payments	-	\$ -	-	-	-	-
97350	HAP Portability-in	-	\$ -	-	-	-	-
97400	Depreciation expense	\$ 111,371	\$ -	- \$	111,371	\$ -	111,371
97500	Fraud losses	-	\$ -	-	-	-	-
97800	Dwelling units rent expense	-	\$ -	-	-	-	-
90000	Total Expenses	\$ 500,456	\$ -	- \$	500,456	- \$	500,456
10010	Operating transfer in	\$ 14,800	\$ -	- \$	14,800	\$ -	-
10020	Operating transfer out	\$ (14,800)	\$ -	- \$	(14,800)	\$ -	-
10030-010	Not For Profit	-	\$ -	-	-	\$ -	-
10030-020	Partnership	-	\$ -	-	-	\$ -	-
10030-030	Joint Venture	-	\$ -	-	-	\$ -	-
10030-040	Tax Credit	-	\$ -	-	-	\$ -	-
10030-050	Other	-	\$ -	-	-	\$ -	-
10030-060	Other - Comment	-	\$ -	-	-	\$ -	-
10030	Operating transfers from / to primary government	-	\$ -	-	-	\$ -	-
10040	Operating transfers from / to component unit	-	\$ -	-	-	\$ -	-
10070	Extraordinary items, net gain/loss	-	\$ -	-	-	\$ -	-
10080	Special items, net gain/loss	-	\$ -	-	-	\$ -	-
10091	Inter Project Excess Cash Transfer In	-	\$ -	-	-	\$ -	-
10092	Inter Project Excess Cash Transfer Out	-	\$ -	-	-	\$ -	-
10093	Transfers between Programs and Projects - in	-	\$ -	-	-	\$ -	-
10094	Transfers between Programs and Projects - out	-	\$ -	-	-	\$ -	-
10100	Total other financing sources (uses)	-	\$ -	-	-	- \$	-
10000	Excess (Deficiency) of Revenue Over (Under) Expenses	\$ 2,294	\$ -	- \$	2,294	- \$	2,294
11020	Required Annual Debt Principal Payments	-	\$ -	-	-	-	-
11030	Beginning equity	\$ 1,409,838	\$ -	- \$	1,409,838	\$ -	1,409,838
11190-210	Total ACC HCV Units	0	0	0	0		0
11190-220	Unfunded Units	0	0	0	0		0
11190-230	Other Adjustments	0	0	0	0		0
11190	Unit Months Available	1272	0	0	1272		1272
11210	Unit Months Leased	1164	0	0	1164		1164
11270	Excess Cash	\$ 279,665	\$ -	- \$	279,665	\$ -	279,665
11610	Land Purchases	-	-	-	-	-	-
11620	Building Purchases	-	-	-	-	-	-
11630	Furniture & Equipment-Dwelling Purchases	-	-	-	-	-	-
11640	Furniture & Equipment-Administrative Purchases	-	-	-	-	-	-
11650	Leasehold Improvements Purchases	-	-	-	-	-	-
11660	Infrastructure Purchases	-	-	-	-	-	-
13510	CFFP Debt Service Payments	-	-	-	-	-	-
13901	Replacement Housing Factor Funds	-	-	-	-	-	-

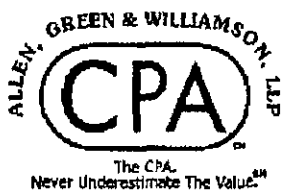
Housing Authority of the City of Bunkie

GENERAL

**SCHEDULE OF COMPENSATION PAID BOARD MEMBERS
For the Year Ended December 31, 2008**

The members of the Board of Commissioners are as follows:

Lois Levy, Chairman	\$ 900
Larry Riche, Vice Chairman	800
Elizabeth Reed	400
Daniel Melancon	1,100
Leon Holts	1,100
Clayton Henderson	700



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Brian McBride, CPA
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Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Board of Commissioners
Housing Authority of the City of Bunkie
Bunkie, Louisiana

We have audited the financial statements of the Housing Authority of the City of Bunkie, Bunkie, Louisiana, as of and for the year ended December 31, 2008, and have issued our report thereon dated June 30, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Housing Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider to be a significant deficiency.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 08-F1 to be a significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that the significant deficiency described above is not a material weakness.

Compliance and other matters

As part of obtaining reasonable assurance about whether the Housing Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

We noted certain matters that we reported to management of the Housing Authority in a separate letter dated June 30, 2009.

The Housing Authority's response to the findings identified in our audit is described in the accompanying corrective action plan for current year findings. We did not audit the Housing Authority's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Board, management, others within the entity, and the federal awarding agency, and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Allen, Green & Williamson, LLP
ALLEN, GREEN, & WILLIAMSON, LLP

Monroe, Louisiana
June 30, 2009

**Housing Authority of the City of Bunkie
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2008**

PART I – Summary of the Auditors' Results

Financial Statement Audit

- i. The type of audit report issued was unqualified.
- ii. There was a significant deficiency required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States of America. The significant deficiency was not considered to be a material weakness.
- iii. There were no instances of noncompliance considered material, as defined by the Government Auditing Standards, to the financial statements.

**Housing Authority of the City of Bunkie
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2008**

PART II – Findings related to the financial statements which are required to be reported in accordance with Government Auditing Standards generally accepted in the United States of America:

Reference # and title: **08-F1** **Tenant Files**

Criteria or specific requirement: Per HUD guidelines, annual recertification must be maintained in tenant file, supporting documentation must agree to recertification, social security numbers must be obtained for residents over six years of age, tenant's income, value of assets, expenses related to deductions from income, status of full time students, and other factors must be verified by a third party.

Condition found: From a test of eleven tenant files, the following exceptions were noted:

- Two tenant files did not have a signed application in their files.
- Two tenant files had information in the file that could not be traced to proper supporting documentation.
- Five tenant files showed a different amount of rent on the HUD Form 50058 than what the Housing Authority is actually billing and collecting, due to a software error.

Possible asserted effect (caused and effect):

Cause: The Housing Authority had some information in their tenant files that was not supported or did not match proper supporting documentation.

Effect: Some of the tenant files are incomplete or inaccurate.

Recommendations to prevent future occurrences: The Housing Authority should establish procedures to ensure that information in all files is accurate and supported by proper documentation.

Housing Authority of the City of Bunkie

OTHER INFORMATION

**Housing Authority of the City of Bunkie
Summary Schedule of Prior Audit Findings
December 31, 2008**

Reference # and title: **07-F1** **Tenant Files**

Year of Origination: This finding originated fiscal year ended December 31, 2007.

Condition: Per HUD guidelines annual recertification must be maintained in tenant file, supporting documentation must agree to recertification, social security numbers must be obtained for residents over six years of age, tenant's income, value of assets, expenses related to deductions from income, status of full time students & other factors must be verified by a third party.

When testing resident files to support dwelling income, the following was noted:

- Two files did not have recertification.
- Three files had supporting documentation which did not agree to recertification.
- Three files did not have income verification by a third party.
- Seven files did not have proper income calculations.
- One file's utility allowance did not agree to support.

Corrective action taken: See current year finding 08-F1.

**Housing Authority of the City of Bunkie
Corrective Action Plan For Current-Year Audit Findings
For the Year Ended December 31, 2008**

Reference # and title: **08-F1** **Tenant Files**

Condition found: Per HUD guidelines, annual recertification must be maintained in tenant files, supporting documentation must agree to recertification, social security numbers must be obtained for residents over six year of age, tenant's income value of assets, expenses related to deductions from income, status of full time students and other factors must be verified by a third party.

From a test of eleven tenant files, the following exceptions were noted:

- Two tenant files did not have a signed application in their files.
- Two tenant files had information in the file that could not be traced to proper supporting documentation.
- Five tenant files showed a different amount of rent on the HUD Form 50058 than what the Housing Authority is actually billing and collecting, due to a software error.

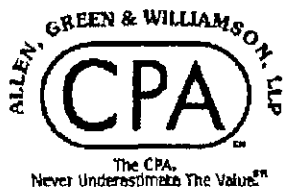
Corrective action planned: We are going through all tenant folders to make sure all findings are corrected. We have changed software. This should correct the problem of the rent amount on the HUD Form 50058.

Person responsible for corrective action:

Ms. Marianne Willibur, Executive Director
Housing Authority of the City of Bunkie
P. O. Box 1036
Bunkie, LA 71322-5036

Telephone: (318) 346-6838
Fax: (318) 346-6844

Anticipated completion date: June 30, 2009.



ALLEN, GREEN & WILLIAMSON, LLP

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Management Letter

Board of Commissioners
Housing Authority of City of Bunkie
Bunkie, Louisiana

In planning and performing our audit of the financial statements of the Housing Authority of City of Bunkie for the year ended December 31, 2008, we considered the Housing Authority's internal control to plan our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control.

However, during our audit, we noted certain matters involving the internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated June 30, 2009, on the financial statements of the Housing Authority. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve the internal control or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comments and management's responses are summarized as follows:

08-M1 **Board Member Compensation**

Comment: HUD regulations now state that board members can not be paid for attending meetings.

Recommendation: The Housing Authority should stop paying board members for attendance of board meetings.

Management's response: The Housing Authority passed resolution #1235 on June 18, 2009 to stop the pay of board members, effective immediately.

* * * * *

Included immediately following this letter is a Status of Prior Management Letter Item. This information has not been audited by Allen, Green & Williamson, LLP, and no opinion is expressed. However, we did follow-up on the prior management letter item and performed procedures to assess the reasonableness of the Status of Prior Management Letter Item prepared by Management, and we would report, as a current-year management letter item when Allen, Green & Williamson, LLP, concludes that the Status of Prior Management Letter Item materially misrepresents the status of any prior management letter item.

Our audit procedures are designed primarily to enable us to form an opinion on the financial statements and, therefore, may not reveal all weaknesses in policies and procedures that may exist.

This report is intended solely for the information and use of the Board, management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513 this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Allen, Green & Williamson, LLP
ALLEN, GREEN & WILLIAMSON, LLP

Monroe, Louisiana
June 30, 2009

**Housing Authority of the City of Bunkie
Status of Prior Year Management Letter Item
December 31, 2008**

07-M1 Proper Support for Travel Expenditures

Comment: Hotel receipts were not turned in for any out of town travel.

Management's action: The Housing Authority used Purchase Order information and confirmation as receipts, as well as obtained original receipts and attached them to the checks stubs for verification after approval.